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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

5

SW-02849A SEWER
SADDLEBROOKE UTILITY COMPANY
9532 E RIGGS ROAD
SUN LAKES AZ 85248-0000

ARIZONA CORPORATION
COMMISSION

RECEIVED
MAY 15 2001

ANNUAL REPORT Director of Utilities

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

ANN 05 00

COMPANY INFORMATION

Company Name (Business Name) <u>Saddlebrooke Utility Company</u>		
Mailing Address <u>9532 E Riggs Rd</u>		
<u>Sun Lakes</u> (City)	<u>AZ</u> (State)	<u>85248</u> (Zip)
<u>(480) 895-9200</u> Telephone No. (Include Area Code)	<u>(480) 895-4347</u> Fax No. (Include Area Code)	<u>NONE</u> Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>40000 S. Ridgeview</u>		
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85739</u> (Zip)
<u>(520) 825-3423</u> Local Office Telephone No. (Include Area Code)	<u>(520) 825-1574</u> Fax No. (Include Area Code)	<u>(520) 932-5892</u> Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>James Poulos</u>		<u>Manager</u>	
(Name)		(Title)	
<u>9532 E Riggs Rd</u> (Street)	<u>Sun Lakes</u> (City)	<u>AZ</u> (State)	<u>85248</u> (Zip)
<u>(480) 895-9200</u> Telephone No. (Include Area Code)	<u>(480) 895-4347</u> Fax No. (Include Area Code)	<u>NONE</u> Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Ed Mac Means</u>			
(Name)			
<u>40000 S Ridgeview</u> (Street)	<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85739</u> (Zip)
<u>(520) 825-5515</u> Telephone No. (Include Area Code)	<u>(520) 825-1574</u> Fax No. (Include Area Code)	<u>(520) 932-5892</u> Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: FC Service Corp
(Name)
3003 N Central Phoenix AZ 85012-2913
(Street) (City) (State) (Zip)

(602) 916-5000
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Marty Aronson
(Name)
One E. Camelback Rd Phoenix AZ 85012
(Street) (City) (State) (Zip)

(602) 263-2972
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|---|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Saddle brooke Utility Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	21,369	—	21,369
352	Franchises			
353	Land and Land Rights	125,000	—	125,000
354	Structures and Improvements	53,595	16,604	36,991
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	3,310,179	606,263	2,704,529
362	Special Collecting Structures			
363	Services to Customers	152,519	38,506	114,013
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells	203,081	52,166	155,915
380	Treatment and Disposal Equip.	5,543,283	315,628	5,227,655
381	Plant Sewers			
382	Outfall Sewer Lines	29,192	8,553	20,639
389	Other Plant and Misc. Equipment	67,414	6,767	60,647
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	9,511,245	1,044,487	8,466,758

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Saddlebrook Utility Company

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	21,369		0
352	Franchises			
353	Land and Land Rights	125,000		0
354	Structures and Improvements	53,595	.04	2,144
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	3,310,792	.04	132,432
362	Special Collecting Structures			
363	Services to Customers	152,519	.04	6,101
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells	208,081	.04	8,245
380	Treatment and Disposal Equip.	5,543,283	.026	144,596
381	Plant Sewers			
382	Outfall Sewer Lines	29,192	.04	1,168
389	Other Plant and Misc. Equipment	67,414	.035	2,365
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	9,511,245		297,051

This amount goes on Comparative Statement of Income and Expense Acct. 403

COMPANY NAME

Saddlebrooke Utility Company

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 63,520	\$ 4,093
132	Special Deposits	508,587	504,484
135	Temporary Cash Investments		
141	Customer Accounts Receivable	19,268	10,836
146	Notes/Receivables from Associated Companies	197,000	
151	Plant Material and Supplies		
162	Prepayments	4,868	2,768
174	Miscellaneous Current and Accrued Assets	465,299	429,101
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,258,542	\$ 951,282
	FIXED ASSETS		
101	Utility Plant in Service	\$ 7,352,399	\$ 9,511,245
103	Property Held for Future Use		
105	Construction Work in Progress	759,132	9,160
108	Accumulated Depreciation – Utility Plant	747,436	1,044,487
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 7,364,095	\$ 8,475,918
	TOTAL ASSETS	\$ 8,622,637	\$ 9,427,200

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page.

COMPANY NAME

Saddlebrooke Utility Company

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$ 12,315	\$ 49,791
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		265,475
235	Customer Deposits		
236	Accrued Taxes	32,105	39,155
237	Accrued Interest	137,206	133,944
241	Miscellaneous Current and Accrued Liabilities	622	1,418
	TOTAL CURRENT LIABILITIES	\$ 182,248	\$ 489,783
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 3,785,000	\$ 3,695,000
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$	\$
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ —	\$ —
	TOTAL LIABILITIES	\$ 3,967,248	\$ 4,184,783
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 98,472	\$ 98,472
211	Other Paid in Capital	3,224,839	3,224,839
215	Retained Earnings	1,332,078	1,919,106
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 4,655,389	\$ 5,242,417
	TOTAL LIABILITIES AND CAPITAL	\$ 8,622,637	\$ 9,427,200

COMPANY NAME

Saddlebrooke Utility Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
521	Flat Rate Revenues	\$ 1,123,571	\$ 1,298,647
522	Measured Revenues	52,225	54,500
536	Other Wastewater Revenues	411,800	360,270
	TOTAL REVENUES	\$ 1,587,596	\$ 1,713,417
	OPERATING EXPENSES		
701	Salaries and Wages	\$ 183,471	\$ 222,777
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power	84,464	105,878
716	Fuel for Power Production		
718	Chemicals	7,629	16,150
720	Materials and Supplies	38,556	64,685
731	Contractual Services – Professional	9,790	9,894
735	Contractual Services – Testing	10,819	8,152
736	Contractual Services – Other	39,997	39,996
740	Rents		
750	Transportation Expense		
755	Insurance Expense	7,754	12,166
765	Regulatory Commission Expense		
775	Miscellaneous Expense	68,192	43,630
403	Depreciation Expense	277,248	297,051
408	Taxes Other Than Income		
408.11	Property Taxes	62,256	73,235
409	Income Taxes		
	TOTAL OPERATING EXPENSES	\$ 790,176	\$ 893,614
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 59,065	\$ 69,514
421	Non-Utility Income	27,037	1,648
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	322,976	303,939
	TOTAL OTHER INCOME/EXP	\$ <236,874>	\$ <232,777>
	NET INCOME/(LOSS)	\$ 560,546	\$ 587,026

COMPANY NAME

Saddlebrooke Utility Company

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1/18/96			
Source of Loan	IDA Bonds			
ACC Decision No.	59134			
Reason for Loan	Construction			
Dollar Amount Issued	\$ 3,950,000	\$	\$	\$
Amount Outstanding	\$ 3,695,000	\$	\$	\$
Date of Maturity	Various			
Interest Rate	7.25 %	%	%	%
Current Year Interest	\$ 271,150	\$	\$	\$
Current Year Principle	\$ 90,000	\$	\$	\$

COMPANY NAME

Saddlebrooke Utility Company

WASTEWATER COMPANY PLANT DESCRIPTION**TREATMENT FACILITY**

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Package plant with primary clarifier and tertiary treatment facilities
DESIGN CAPACITY OF PLANT (Gallons Per Day)	1,240,000

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Construction Yard	2	1 HP	50 GPM	1000
Unit 7	2	3	50	1020
Unit 9	2	75	140	677
Unit 19	2	3	40	888

FORCE MAINS

Size	Material	Length (Feet)
4-inch	PVC	150
6-inch	PVC	1997
< 4 inch	PVC	8002
> 6 inch	PVC	2797

MANHOLES

Type	Quantity
Standard	585
Drop	11

CLEANOUTS

Quantity
68

COMPANY NAME

Saddlebrooke Utility Company

WASTEWATER COMPANY PLANT DESCRIPTION CONTINUED**COLLECTION MAINS**

Size (in inches)	Material	Length (in feet)
4		
6		
8	PVC	163187
10	PVC	488
12		
15		
18		
21		
24		
30		

SERVICES

Size (in inches)	Material	Quantity
4	PVC	2548
6		
8		
12		
15		

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	Centrifuge
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Ultra violet
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Sand and anthracite
STRUCTURES (Buildings, Fences, Etc.)	Comminuter, influent pump station, package plant, blowers, generator, equalization basin, filters, UV disinfection, effluent.
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Microscope and vehicles

COMPANY NAME

Saddlebrooke Utility Company

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan 00	2570	10,069,000	354000
Feb 00	2597	9,946,000	371000
Mar 00	2621	10,704,000	398000
Apr 00	2646	9,938,000	398000
May 00	2680	8,923,000	332000
June 00	2729	7,842,000	316000
July 00	2771	8,067,000	295000
Aug 00	2789	8,197,000	451000
Sep 00	2826	8,008,000	300000
Oct 00	2848	9,246,000	351000
Nov 00	2870	10,251,000	417000
Dec 00	2899	10,161,000	368000

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method Of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse NPDES
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	100356
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	P100356
ADEQ Reuse Permit Number	R 100356
EPA NPDES Permit Number	AZ 0022853

STATISTICAL INFORMATION

Total number of customers 2899

Total number of gallons treated 111,152.000 gallons

COMPANY NAME Saddlebrooke Utility Company YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

5-7-01
DATE

Tim Foster
PRINTED NAME

G.M.
TITLE

COMPANY NAME Saddlebrooke Utility Company YEAR ENDING 12/31/2000

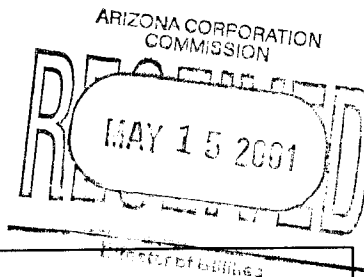
PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 67,403

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) MARICOPA
NAME (OWNER OR OFFICIAL) TITLE JAMES POULOS - GENERAL MANAGER
COMPANY NAME SADDLEBROOKE UTILITY COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1,357,029

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3,881**

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3RD

DAY OF


SIGNATURE OF OWNER OR OFFICIAL
480-895-9200
TELEPHONE NUMBER

COUNTY NAME	MARICOPA	
MONTH	MAY	20 01

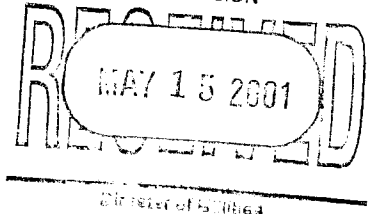

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) MARICOPA	
NAME (OWNER OR OFFICIAL) JAMES POULOS	TITLE GENERAL MANAGER
COMPANY NAME SADDLEBROOKE UTILITY COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 1,274,961

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X 
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

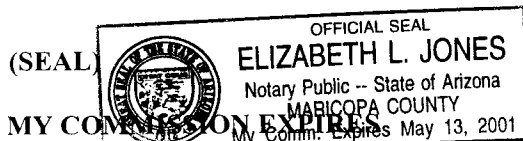
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

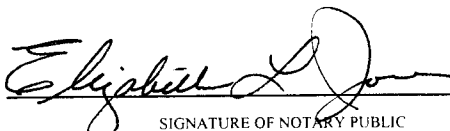
THIS

3rd

DAY OF

NOTARY PUBLIC NAME ELIZABETH L. JONES	
COUNTY NAME MARICOPA	
MONTH MAY	2001



X 
SIGNATURE OF NOTARY PUBLIC

PINAL COUNTY TREASURER TAX RECEIPT

Pg: 1

Paid by: SADDLEBROOKE UTILITY COMPANY

IMPO BATCH: 1933023
 Payment Date: 10/25/2000
 Interest Date: 10/25/2000
 Printed by: TRSJGA

9532 E RIGGS RD
 SUN LAKES, AZ 85248

Description	Amount	Balance Due	--- If paid by
305-41-04702 2000 TAXES	170.14		
TOTL	170.14 $\text{\textcircled{O}}$ *	170.14	BY 05/01/2001
BEG NW COR SEC 35 E-996.64 S-1535.06 TO POB E-340.00 S-270.00 W- 340.00 N-270 TO POB SEC 35-10S-14E 2.10 AC			
983-10-20004 2000 TAXES	34,791.87		
TOTL	34,791.87 $\text{\textcircled{O}}$ *	34,791.87	BY 05/01/2001
TOTAL VALUE OF OPERATING PROPERTY			
983-10-204H3 2000 TAXES	1,484.25		
TOTL	1,484.25 $\text{\textcircled{O}}$ *	1,484.25	BY 05/01/2001
TOTAL VALUE OF OPERATING PROPERTY			
305-41-040-H	89,550		

20 36446.26

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